AS

## BEFORE

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

DOCKET NO. 97-239-C - ORDER NO. 97-516

JUNE 13, 1997

IN RE: Proceeding to Establish Guidelines for ) ORDER an Intrastate Universal Service Fund. )

This matter comes before the Public Service Commission of South Carolina (the Commission) for discussion of the proceeding to address the Universal Service Fund (USF). This discussion was prompted by the June 4, 1997 letter of the South Carolina Telephone Association asking for clarification of the issues to be resolved and addressed in this Docket, especially in the areas of methodology, detailing costs, and related matters.

This Commission grants the request for clarification. This Commission will proceed with the establishment of intrastate USF guidelines in the August 4, 1997 hearing, including general guidelines as to how the size of the fund is to be established, and including estimating the size of the level of support to be trued up either up or down after the Commission determines the actual methodologies to be used. A separate hearing date will be established in the fall of 1997 to accept and evaluate evidence regarding specific methodologies to be used in determining the size of the intrastate USF. We believe that this procedure is consistent with the Federal Communications Commission's (FCC's)

Universal Service Order, and fits in well with the time frames imposed by that Order.

Further, we will give notice to the FCC through our Staff on or before the due date of August 15, 1997 that this Commission intends to adopt its own cost studies for the purposes of determining Federal Universal Service support, also pursuant to the FCC's Order.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

executive Director

(SEAL)